

# Lao PDR

Human Capital Index Rank 111 out of 157

## THE HUMAN CAPITAL INDEX (HCI) AND ITS COMPONENTS

The HCI measures the amount of human capital that a child born today can expect to attain by age 18. It conveys the productivity of the next generation of workers compared to a benchmark of complete education and full health. It is constructed for 157 countries.

It is made up of five indicators: the probability of survival to age five, a child's expected years of schooling, harmonized test scores as a measure of quality of learning, adult survival rate (fraction of 15-year olds that will survive to age 60), and the proportion of children who are not stunted.

Globally, 56 percent of all children born today will grow up to be, at best, half as productive as they could be; and 92 percent will grow up to be, at best, 75 percent as productive as they could be.

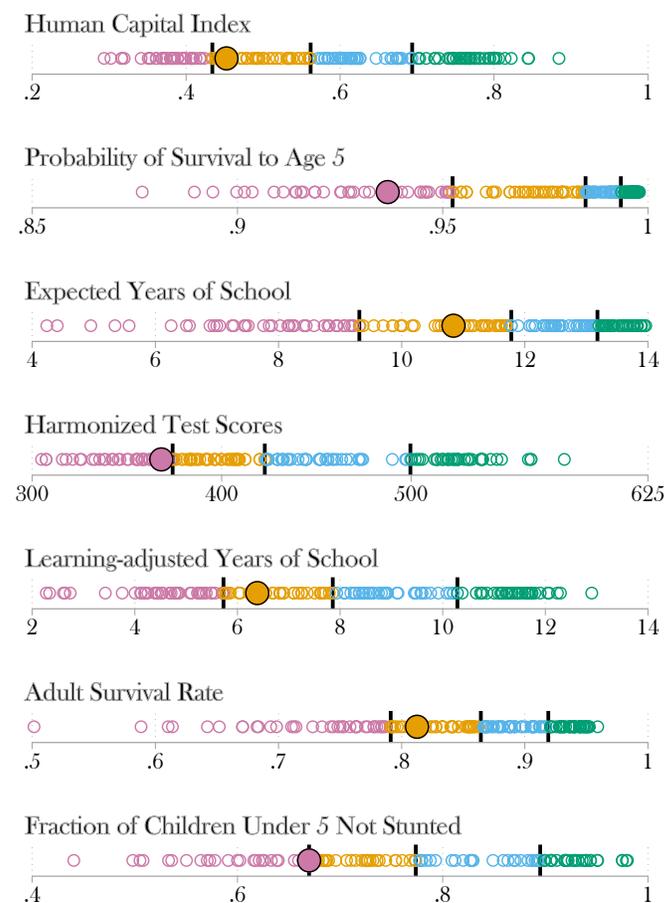
## WHAT IS THE STATE OF HUMAN CAPITAL IN LAO PDR?

- **Human Capital Index.** A child born in Lao PDR today will be **45 percent** as productive when she grows up as she could be if she enjoyed complete education and full health.
- **Probability of Survival to Age 5.** **94** out of 100 children born in Lao PDR survive to age 5.
- **Expected Years of School.** In Lao PDR, a child who starts school at age 4 can expect to complete **10.8** years of school by her 18th birthday.
- **Harmonized Test Scores.** Students in Lao PDR score **368** on a scale where 625 represents advanced attainment and 300 represents minimum attainment.
- **Learning-adjusted Years of School.** Factoring in what children actually learn, expected years of school is only **6.4** years.
- **Adult Survival Rate.** Across Lao PDR, **81 percent** of 15-year olds will survive until age 60. This statistic is a proxy for the range of fatal and non-fatal health outcomes that a child born today would experience as an adult under current conditions.
- **Healthy Growth (Not Stunted Rate).** **67** out of 100 children are **not** stunted. **33** out of 100 children are stunted, and so at risk of cognitive and physical limitations that can last a lifetime.

## ARE THERE GENDER DIFFERENCES IN HCI?

In Lao PDR, the HCI for girls is higher than for boys. Table 1 shows gender disaggregation for each of the HCI components.

Figure 1. HCI and Components



Note:

- Large circle represents Lao PDR
- Small circles represent other countries
- Thick, vertical lines and color of circles reflect quartiles of the distribution

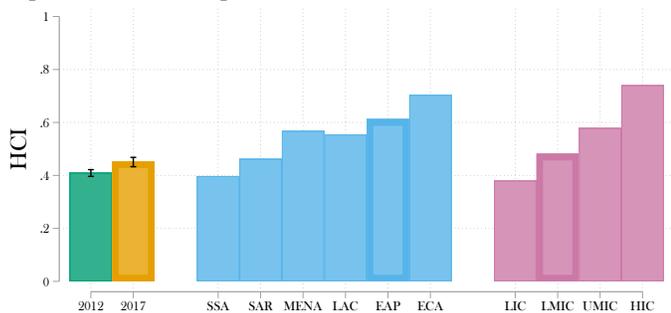
Table 1. HCI by Gender

Component	Boys	Girls	Overall
HCI	0.44	0.46	0.45
Survival to Age 5	0.93	0.94	0.94
Expected Years of School	10.9	10.8	10.8
Harmonized Test Scores	363	374	368
Learning-adjusted Years of School	6.3	6.4	6.4
Adult Survival Rate	0.79	0.83	0.81
Not Stunted Rate	-	-	0.67

Note:

- When shown, hyphen denotes data are unavailable
- All values are rounded
- The gender-disaggregated HCI is calculated using only adult survival rates if gender-disaggregated stunting data is not available

Figure 2. Benchmarking HCI



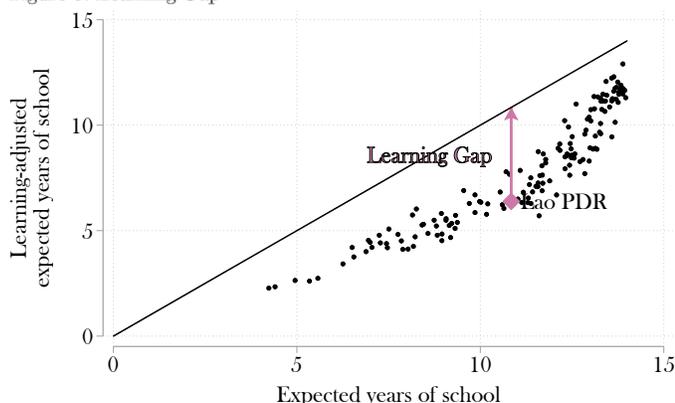
Notes:  
 - Unless specified all data are for 2017  
 - The uncertainty intervals (black vertical lines) reflect uncertainty in the measurement of components of the Index

### HOW DOES LAO PDR COMPARE?

Between 2012 and 2017, the HCI value for Lao PDR increased from 0.41 to 0.45 (Figure 2).

In 2017, Lao PDR's HCI is lower than the average for its region and income group.

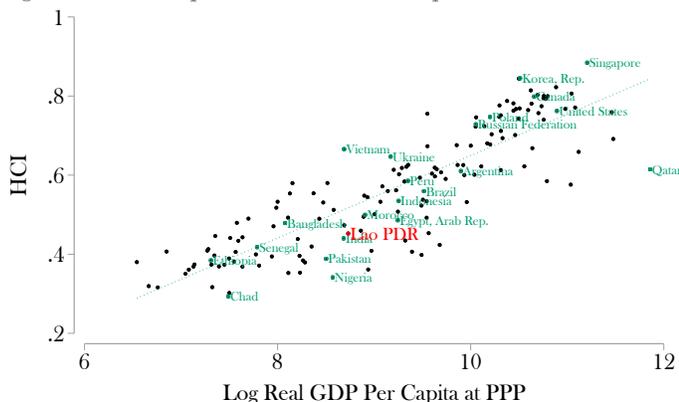
Figure 3. Learning Gap



### HOW MUCH ARE CHILDREN ACTUALLY LEARNING IN SCHOOL?

Children in Lao PDR can expect to complete 10.8 years of pre-primary, primary and secondary school by age 18. However, when years of schooling are adjusted for quality of learning, this is only equivalent to 6.4 years: a learning gap of 4.4 years (Figure 3).

Figure 4. Human Capital Index vs GDP Per Capita



### IS LAO PDR'S HCI IN LINE WITH WHAT IS PREDICTED FOR ITS INCOME LEVEL?

In 2017, the HCI for Lao PDR is lower than what would be predicted for its income level (Figure 4).

### THE HUMAN CAPITAL PROJECT

The Human Capital Project seeks to raise awareness and increase demand for interventions to build human capital. It aims to accelerate better and more investments in people. The Project has three elements (i) the Human Capital Index, (ii) a program to strengthen research and measurement on human capital; and (iii) support to countries to accelerate progress in raising human capital outcomes.

For more information on the Human Capital Project please visit [www.worldbank.org/humancapitalproject](http://www.worldbank.org/humancapitalproject)

 #investinPeople